

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION**

**AMERICAN RESOURCES INSURANCE)
COMPANY, INC.,**)

Plaintiff,)

v.)

**WARRANTECH AUTOMOTIVE, INC.,)
et al.,**)

Defendants.)

CIVIL ACTION 07-0850-WS-M

ORDER

This matter is before the Court on the plaintiff's motion for partial summary judgment. (Doc. 36). The three defendants to which the motion is directed have filed a response, (Doc. 45), they and the plaintiff have filed a stipulation concerning the motion, (Doc. 46), and the motion is ripe for resolution.

DETERMINATIONS OF UNCONTROVERTED FACT

1. The plaintiff issued Contractual Liability Insurance Policies ("CLIPs") to defendants Warrantech Automotive, Inc. ("Warrantech") and Butler Financial Solutions, LLC ("Butler"), effective November 1, 2005.

2. The plaintiff cancelled its CLIPs to Warrantech and Butler by letter dated April 13, 2006, effective 60 days from receipt.

3. In a previous Court proceeding, *American Resources Insurance Company, Inc. v. Warrantech Automotive, Inc.*, CV-06-2154, Mobile County Circuit Court, Warrantech acknowledged the cancellation and that the cancellation was effective.

4. Warrantech has reported to the plaintiff that, subsequent to the effective cancellation date of the CLIP, vehicle service contracts identifying the plaintiff as the insurer were sold.

5. To date, with respect to the contracts described in paragraph 4, Warrantech has not been able to get another insurer to replace the plaintiff on those vehicle service contracts and to notify the holders of the vehicle service contracts that the plaintiff is not the insurer.

6. Neither Warrantech, Butler nor defendant Warrantech Automotive of Florida, Inc. has any insurance issued by the plaintiff to them insuring vehicle service contracts issued by them or identifying them as administrator or obligor subsequent to June 14, 2006.

CONCLUSIONS OF LAW

The Court may establish the foregoing facts pursuant to Federal Rule of Civil Procedure 56(d)(1).

Based on the foregoing uncontroverted facts, and the interested parties' stipulation, the Court **declares**:

That plaintiff American Resources Insurance Company ("ARIC") is not obligated to provide insurance for any vehicle service contracts issued or sold after June 14, 2006 identifying ARIC as the insurer of Warrantech Automotive, Inc., Butler Financial Solutions, LLC, or Warrantech of Florida, Inc. as the obligor or administrator; and

That ARIC is not obligated to insure any claims made on such vehicle service contracts.

CONCLUSION

The plaintiff's motion for partial summary judgment is **granted** as set forth above.

DONE and ORDERED this 1st day of July, 2008.

s/ WILLIAM H. STEELE
UNITED STATES DISTRICT JUDGE